Disinvestment of Industries

1115.SHRI DRUPAD BORGOHAIN: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government have any plan to disinvest industries;

(b) if so, the names of such industries; and

(c) whether there is any priority in disinvesting these?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) to (c) The Government is carrying out the disinvestment of its equity in various Public Sector Enterprises from the year 1991-92 onwards. The present Government policy for disinvestment in PSEs, as declared in the budget speech for the year 1998-99 is to bring down to 26% the Government shareholding in non-strategic PSUs in generality of the cases.

Modalities for Disinvestment of PSEs

1116. SHRI PREM CHAND GUPTA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that a Disinvestment Commission was setup in August, 1996 to recommend modalities for disinvestment of PSEs;

(b) whether Government referred 43 PSEs to the Commission up to March, 1998;

(c) whether the Commission has since submitted 8 Report covering all the 43 PSEs; and

(d) if so, what action Government have taken on this report?

THE MINISTER OF STATE OF THE MINISTRY OF INFORMATION AND BROADCASTING AND MINISTER OF STATE OF THE DEPARTMENT OF DISINVESTMENT (SHRI ARUN JAITLEY): (a) Yes, Sir.

(b) Yes, Sir.

(c) Disinvestment Commission has submitted 12 reports so far giving their recommendations in respect of 58 PSUs.

(d) Government take action on the recommendations of the Disinvestment Commission as per a prescribed procedure. The recommendations of the

Disinvestment Commission in respect to various PSEs are in different stages of implementation/consideration.

Utilisation of Disinvestment Fund for PSUs

1117. SHRI JIBON ROY: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that as appeared in a section of the Press, his Ministry have asked the Finance Ministry to plough back a portion of the fund so disinvested for the development of PSUs;

(b) if so, the details thereof; and

(c) the response of the Finance Ministry thereto?

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (SHRI MANOHAR JOSHI): (a) to (c) The Ministry of Heavy Industries and Public Enterprises has urged that proceeds from disinvestment should also be used for restructuring of Public Sector Undertakings (PSUs). Government has announced that receipts from disinvestment will be used, *inter-alia,* for the restructuring of PSUs.

Competition faced by PSUs

1118. DR. MOHAN BABU: Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

(a) whether it is a fact that many Public Sector Units are facing competition as a result of liberalisation of our economy;

(b) if so, the details thereof; and

(c) the steps taken by Government to strengthen these PSUs?

THE MINISTER OF STATE IN THE MINISTRY OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES (DR. VALLABHBHAIKATHIRIA): (a) to (c) Some of the Public Sector Units are facing competition in sectors like Steel, Power Generation Eouipment, Chemicals and Petrochemicals, light engineering etc. Government have taken various steps to strengthen these PSUs which include professionalisation of Boards, enhanced delegation of power to PSU boards, formation of joint ventures, technology upgradation, modernization, capital restructuring, rationalisation of manpower etc.